

4 *Economic Security*

Supporting the economic well-being of older adults and the economic security of aging boomers

Major Accomplishments (1999–2003)

- ✓ In 1999, North Carolina expanded Medicaid coverage to include older adults age 65 and older with incomes below 100 percent of the poverty level.
- ✓ In 2002, with funding from the Health and Wellness Trust Fund Commission, the NC Department of Health and Human Services (NCDHHS) implemented the *NC Senior Care Program* to provide prescription drug assistance to seniors with low incomes for the treatment of chronic obstructive pulmonary disease (COPD), cardiovascular disease, and diabetes.
- ✓ North Carolina was nationally recognized for helping dislocated workers (including many older workers) access assistance from the North American Free Trade Agreement (NAFTA)/Trade Readjustment Allowance (TRA).

Current and Future Concerns

- ✓ Over 337,000 (36 percent) of older North Carolinians are considered poor or near poor (within 200 percent of the poverty level).
- ✓ Without a federal initiative, many seniors will continue to lack adequate drug assistance and long-term care protection, requiring the state to respond.
- ✓ A part of the Medicare-Aid program, which helps seniors with low incomes pay for Medicare premiums, has an uncertain future without reauthorization of the Balanced Budget Act of 1997, and over 11,000 North Carolina seniors may lose benefits.
- ✓ 15 percent of North Carolinians between ages 50 and 64 are uninsured.
- ✓ Many retirees and workers lack knowledge and skills for financial planning and management.

The nation's economy has experienced both historic highs and sharp downturns within the past several years. Today, the economy remains sluggish, and its future course unclear. In this economic environment, seniors are increasingly concerned about their economic security. This concern is also felt strongly among the baby boomers as they approach age 62, the most common age when older adults start receiving Social Security benefits (AARP 2001).

The NC Division of Aging (NCDOA) convened a focus group in July 2002 to identify economic issues concerning older adults and baby boomers today and to help set priorities for the future. The focus group considered the term *economic security* in objective and subjective terms and broadly defined it as *the capacity to sustain a relatively stable economic status given a normal decline of functioning and health over*

old age (O'Rand 2002). This view was well expressed by a senior advocate: "In my opinion, we seniors are economically secure when we are free from fear or doubt about our ability to pay for necessities such as health and long-term care expenses, housing, and leisure and enrichment activities."

In its long-range plan, *Vision 20/20*, the NC Progress Board (2001) declared North Carolina's commitment to realizing economic security for all North Carolinians through strong partnerships among individuals, the young and old, employers, and government. Consistent with the Progress Board's declaration, a call for action for older adults and baby boomers asks:

- individuals to embrace the idea of lifelong training and education to remain productive members of the community and to plan for retirement security in a responsible manner